

NEWS RELEASE

**INDIANA
WORKFORCE
DEVELOPMENT**



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Joseph E. Kernan, Governor
Alan D. Degner, Commissioner

August unemployment rate; July revisions released

State posts 4.9 percent non-seasonally adjusted rate; 5.1 percent seasonally adjusted rate

INDIANAPOLIS, Ind. – According to figures released today by the Indiana Department of Workforce Development, the number of unemployed Hoosiers continued to shrink in August, extending the state's eight month record of outpacing last year's performance.

Complied in conjunction with the U.S Bureau of Labor Statistics, the state's unemployment rate is derived from a national survey of about 60,000 households. Of that number, approximately 1,300 Indiana households are polled each month during the calendar week that contains the 12th day of the month.

Indiana's preliminary **non-seasonally adjusted** unemployment rate for August dropped to **4.9 percent**, down from July's 5.2 percent (revised) figure and August 2003's 5.1 percent mark. At the same time, the U.S. non-seasonally adjusted unemployment rate was reported at 5.4 percent. Of Indiana's Midwest neighbors, Illinois reported 6.1 percent unemployment, Kentucky reported 4.7 a percent rate, Michigan's rate was 6.2 percent and Ohio saw 5.8 percent unemployment for August.

In August, the state's estimated non-seasonally adjusted labor force, or the number of people 16 years of age and older who were able and available for work, totaled 3,169,100 (preliminary). For the month of August, an estimated 3,015,100 Hoosiers were employed and 154,000 were unemployed.

"August brought more positive news for Indiana's economy," said Alan Degner, commissioner of the Indiana Department of Workforce Development. "For the eighth month in a row the state's unemployment rate declined when compared to the previous year and we continued to perform well against our neighboring states and the U.S. as a whole. This along with strong job creation numbers, improving state revenues and record breaking export figures provide further proof that Indiana's economy is in a sustained recovery."

"One of the interesting anomalies we see in August is a shrinking labor force, including those employed and those unemployed and looking for work," added Degner. "However, this isn't cause for great alarm. It signals the end of summer employment, and can be attributed to students leaving the workforce to head back to school."

Using the same data, and adjusting the numbers for seasonal employment trends, the federal government reported that Indiana's August preliminary **seasonally adjusted unemployment rate** remained at **5.1 percent**, showing not statistical change from July, but down from August 2004's 5.3 percent rate. Meanwhile, the U.S. seasonally adjusted rate was **5.4 percent in August**.

The state's estimated seasonally adjusted labor force for August reached 3,146,100 (preliminary), with 2,986,500 Hoosiers reported as employed and 159,600 as unemployed.

Of Indiana's neighboring states Illinois reported a 6.1 percent seasonally adjusted unemployment rate, Kentucky reported 5.1 percent, Michigan's August rate was 6.7 percent and Ohio's rate was 6.3 percent.

Through its various programs and initiatives, the Indiana Department of Workforce Development is charged with continually improving the Hoosier workforce by assisting companies to create new jobs and improve employee skills. The agency offers a variety of training and educational grants, partners with the state's 27 WorkOne Centers, administers the unemployment insurance system, provides labor market information, assists employers with preparing workers for layoffs and closures, and operates a statewide job placement service.

For more information on Indiana's unemployment rate, contact the Indiana Department of Workforce Development at 1-888-WorkOne, or visit the web site at www.workforce.IN.gov.

Technical Notes:

- In calculating unemployment rates, two different types of numbers are provided. The first, known as the *non-seasonally adjusted rate*, estimates employment and unemployment without taking into account the effects of seasonal trends. In calculating the *seasonally adjusted rate*, or employment that follows more or less a regular pattern each year, holiday, summer or other types of seasonal employment is factored out of the estimate. These adjustments make it easier to observe the cyclical and other non-seasonal movements.
- The Household survey that calculates the unemployment rate is conducted by the U.S. Bureau of Labor Statistics and is conducted during the week of the 12th of the month.
- For most accurate analysis, please use revised data sets and not preliminary estimates
- Unemployment rates for individual counties, cities and metropolitan statistical areas will be available on September 24, 2004.

INDIANA V.S. U.S. UNEMPLOYMENT RATES

<i>Not Seasonally Adjusted</i>	August 2004p	July 2004	August 2003
Indiana			
Labor Force	3,169,100	3,225,500	3,218,400
Employed	3,015,100	3,057,700	3,055,400
Unemployed	154,000	167,800	163,000
Rate	4.9	5.2	5.1
U.S.			
Rate	5.4	5.7	6.0
<i>Seasonally Adjusted</i>	August 2004p	July 2004	August 2003
Indiana			
Labor Force	3,146,100	3,170,900	3,195,300
Employed	2,986,500	3,008,400	3,027,100
Unemployed	159,600	162,500	168,200
Rate	5.1	5.1	5.3
U.S.			
Rate	5.4	5.5	6.1

P= preliminary

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